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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/071,066	04/12/2002	Richard C Johnson	ORCL5595CIP/OID-2000-139-	3384
22430	7590	04/29/2005	EXAMINER	
YOUNG LAW FIRM A PROFESSIONAL CORPORATION 4370 ALPINE ROAD SUITE 106 PORTOLA VALLEY, CA 94028			HEWITT II, CALVIN L	
			ART UNIT	PAPER NUMBER
			3621	

DATE MAILED: 04/29/2005

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

10/071,066

Applicant(s)

JOHNSON, RICHARD C

Examiner

Calvin L Hewitt II

Art Unit

3621

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 08 February 2002.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-43 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-43 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- ☒ Notice of References Cited (PTO-892)
- ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- ☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date 11-4-02.
- ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____.
- ☐ Notice of Informal Patent Application (PTO-152)
- ☐ Other: _____.

Status of Claims

1. Claims 1-43 have been examined.

Claim Rejections - 35 USC § 112

2. Claims 14 and 38 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to enable one skilled in the art to which it pertains, or with which it is most nearly connected, to make and/or use the invention.

Claims 14 and 38 recite keeping the existence of a first letter of credit from a drawee. However, to one of ordinary skill, a seller (i.e. drawee) engaged in a commercial transaction with a buyer (i.e. drawer) using Applicant's system has knowledge of such a letter as the seller relies on Applicant's system to guarantee payment (Specification, page/line 52/7-53/17).

3. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

4. Claims 14 and 38 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 14 and 38 recite keeping the existence of a first letter of credit from a drawee. However, to one of ordinary skill, a seller (i.e. drawee) engaged in a commercial transaction with a buyer (i.e. drawer) using Applicant's system has knowledge of such a letter as the seller relies on Applicant's system to guarantee payment (Specification, page/line 52/7-53/17).

Claim Rejections - 35 USC § 103

5. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 1-43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Abecassis, U.S. Patent No. 5,426,281 in view of Ogilvie, U.S. Patent No. 6,343,738.

As per claims 1-43, Abecassis teaches transaction system that includes payment via a secure electronic draft comprising:

- establishing a secure computer site, controlled by a financial service provider, that includes a representation of the draft (abstract; figure 1A; column/line 5/65-6/35)
- creating a first online letter of credit linked to a drawer of the draft and including pre-determined terms, satisfaction of the terms being a precondition to the financial services provider extending the credit (column 8, lines 17-40)
- releasing payment on the draft to a drawee of the draft, upon removal of contingency (e.g. performance of services, date restrictions, etc.), an optional portion of the released payment originating from the credit extended to the drawer (column 7, lines 50-60; column 8, lines 17-40)
- sequestering funds at least equal to a portion of the payment of the draft (abstract; column 6, lines 8-16; column 7, lines 5-34)
- a first letter of credit that is revocable or irrevocable (abstract; column 6, lines 8-16; column 7, lines 5-34; column 10, lines 10-38; column 11, lines 30-51)
- establishing a line of credit for a single or multiple transactions (abstract; column 6, lines 8-16; column 7, lines 5-34)

- a secure computer site configured to keep a drawee from the first letter of credit (figures 1A and B; column 7, lines 50-60; column 8, lines 17-40)

Abecassis teaches using any suitable conditions to define a successful transaction [claims 7, 23, 32 and 42]. Therefore, the prior art suggests to one of ordinary skill the use of a time limit in order to prevent fraudulent transactions services. Regarding processing fees, fees are old and well-known and an obvious method for generating revenues [claims 8, 9, 12, 33, and 34]. Similarly, performance bonds are old and well-known, therefore it would have been obvious to one of ordinary skill to provide a buyer with protection mechanism to help guarantee satisfactory provision of goods and services [claims 15-20, 24, and 39]. However, Abecassis does not specifically recite authenticating drawer and drawee. Ogilvie teaches authenticating parties to an escrowed transaction (column 20, lines 40-56). Therefore, it would have been obvious to one of ordinary skill to combine the teachings of Abecassis and Ogilvie in order to protect drawer and drawee private information ('738, column 20, lines 40-48).

Conclusion

7. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

- Foth et al. teach escrow system that comprises bonding sellers
- Burchetta et al. teach an online resolution system
- Dutta teaches an electronic transaction system with escrow payments
- Walker et al. teach a cryptographically secure system for transacted conditional purchase offers
- <http://www.sba.gov/financing/bonds/whatis.html> disclose performance bonds
- Burns et al. disclose an algorithm for calculating a performance bond

8. Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Calvin Loyd Hewitt II whose telephone number is (571) 272-6712. The Examiner can normally be reached on Monday-Friday from 8:30 AM-5:00 PM.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, James P. Trammell, can be reached at (703) 305-9768.

Any response to this action should be mailed to:

Commissioner of Patents and Trademarks

c/o Technology Center 2100

Washington, D.C. 20231

or faxed to:

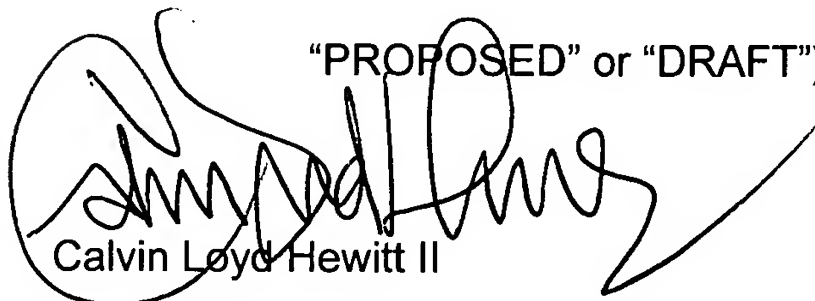
Art Unit: 3621

(703) 305-7687 (for formal communications intended for entry and
after-final communications),

or:

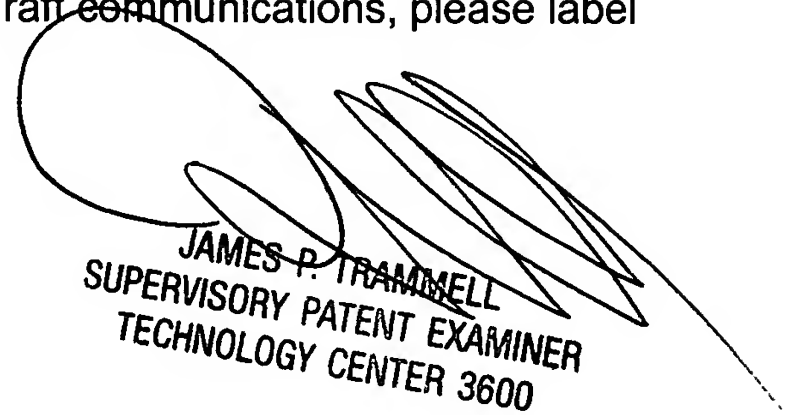
(571) 273-6709 (for informal or draft communications, please label

"PROPOSED" or "DRAFT")



Calvin Loyd Hewitt II

April 18, 2005



JAMES P. TRAMMELL
SUPERVISORY PATENT EXAMINER
TECHNOLOGY CENTER 3600